

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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Application of San Diego Gas & Electric
Company (U902E) for Approval of Real
Time Pricing Pilot Rate

A. 21-12-006

And Related Matter.

A. 21-12-008

**OPENING BRIEF OF SAN DIEGO COMMUNITY POWER
AND CLEAN ENERGY ALLIANCE**

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Pursuant to Administrative Law Judge Stephanie Wang’s April 6, 2023, email ruling and subsequent procedural email on April 18, 2023, San Diego Community Power (“SDCP”) and Clean Energy Alliance (“CEA”) submit this opening brief in the above-captioned proceeding to answer the narrow question of whether to dismiss San Diego Gas & Electric Company’s (“SDG&E”) import rate (also known as Real Time Pricing (“RTP”) Pilot rate Program) application without prejudice. SDCP and CEA provide no comment on issues related to SDG&E’s export rate because it applies only to bundled utility customers. SDCP and CEA request that the California Public Utilities Commission (“Commission”) dismiss Application (“A.”) 21-12-006, not because the issues do not have merit, but because a Community Choice Aggregation (“CCA”) real time pricing rate cannot be offered based on the application as it currently stands.

SDCP and CEA have consistently stated and supplied testimony in this proceeding demonstrating that CCA programs require access to customer usage data held by the IOUs in order to effectively forecast load and manage energy procurement associated with real time

pricing.¹ Despite Commission guidance requiring SDG&E to meet and confer with stakeholders including CCAs before the application was filed, and despite SDCP and CEA's repeated attempts to raise data access in this proceeding, SDG&E makes no proposals in this regard. Accordingly, the application should be dismissed without prejudice until the issue can be resolved. Data access can be more effectively addressed in the Demand Flexibility proceeding,² as further described below.

I. BACKGROUND

The Commission directed SDG&E to file A. 21-12-006 pursuant to Decision ("D.") 21-07-01, issued in SDG&E's 2019 General Rate Case ("GRC") Phase 2 proceeding.³ As the Commission stated in D. 21-07-010, party comments on the Proposed Decision ("PD") Pilot raised significant issues, including new information that could ultimately improve the Pilot.⁴ Because of this, the Commission required SDG&E to file a separate application.⁵

In D. 21-07-010, Commission provided SDG&E with guidance to consider for its proposed RTP Pilot Stage 1 and Pilot Stage 2. Specifically, Commission's guidance states that, "(4) The Pilot Stage 1 design should consider input from key stakeholders including CCAs serving SDG&E customers, [and] third parties interested in the implementation of RTP rates..."⁶ The Commission actively encouraged SDG&E to collaborate with CCAs and other key stakeholders on its RTP Pilot through meaningful discussion to avoid customer confusion and improve the quality of the Pilot information.⁷

¹ Ex. SDCP-01, *Prepared Direct Testimony of Lucas Utouh on Behalf of San Diego Community Power*, at 4, L: 3-7 (Dec. 30, 2022).

² See R. 22-07-005 (discussing the Demand Flexibility proceeding).

³ See D. 21-07-010 at 89 (directing SDG&E to file a separate RTP Pilot application).

⁴ See D. 21-07-010 at 51 (noting the Commission's reasoning on requiring SDG&E to file a new application).

⁵ *Id.*

⁶ See D. 21-07-010 at 53.

⁷ See D. 21-07-010 at 53-54.

Most importantly, D. 21-07-010 states that “[*prior*] to filing the application, SDG&E shall use its best efforts to consult with key stakeholders including (i) community choice aggregators serving SDG&E customers[.]”⁸ The Commission also provided SDG&E with an opportunity to recover “up to \$150,000 in consultant and facilitation costs related to obtaining stakeholder input prior to filing of the application...through SDG&E’s existing Residential Rate Reform Memorandum Account (RRRMA).”⁹

Representatives from SDCP attended workshops that SDG&E held on September 28, 2021, and on October 13, 2021, as SDG&E acknowledges in its testimony.¹⁰ Despite SDCP and CEA raising data access during the workshops, SDG&E filed its RTP application on December 13, 2021, and made no proposals regarding the issue.¹¹ At a high level, SDG&E’s proposed RTP Pilot rate design uses “hourly day-ahead California Independent System Operator (“CAISO”) pricing in place of participant’s commodity rates” as a means to create a dynamic pricing option to “encourage customers to shift their use according to the dynamic/real-time pricing of electricity.”¹²

SDCP filed testimony on December 30, 2022, that raised several issues related to data access.¹³ SDCP also filed rebuttal testimony on January 30, 2023, in furtherance of its concern over data access issues.¹⁴

⁸ See D. 21-07-010 at 89-90.

⁹ See D. 21-07-010 at 89-90.

¹⁰ Ex. *Prepared Direct Testimony Of Jeff Deturi (Chapter 1) On Behalf Of San Diego Gas & Electric Company*, JDT-13, L: 9-15 (Dec. 13, 2021).

¹¹ *Application*, at 1.

¹² *Application*, at 1.

¹³ Ex. SDCP-01, *Prepared Direct Testimony of Lucas Utouh on Behalf of San Diego Community Power*, at 4, L: 2-12 (Dec. 30, 2022).

¹⁴ Ex. SDCP-02, *Prepared Rebuttal Testimony of Lucas Utouh on Behalf of San Diego Community Power*, at 2, L: 9-14 (Jan. 30, 2023)

In its April 2022 scoping memo, the Commission directed SDG&E and key stakeholders such as SDCP and CEA to meet and confer during September and October of 2022 to “clarify and narrow contested facts and issues and explore the possibility of settlement or stipulations in lieu of evidentiary hearings.”¹⁵ SDCP has actively followed all procedural requirements through its detailed opening testimony in this proceeding.¹⁶

In addition, for several months in 2023, SDCP and CEA through their counsel participated in settlement negotiations with SDG&E and other parties. Unfortunately, negotiations have not resulted in a settlement between SDCP, CEA, and SDG&E at this point in time. Subsequently, Administrative Law Judge (“ALJ”) Stephanie Wang issued an email ruling on April 18, 2023, directing parties to address whether to dismiss the import rate.¹⁷ SDCP and CEA then filed this opening brief. It is evident that SDG&E has not made the appropriate efforts to move forward with its RTP Pilot program in a timely manner, and the Commission should consider this when issuing its final decision.

II. DISCUSSION

A. CCAs REQUIRE ACCESS TO INTERVAL DATA TO OFFER REAL TIME PRICING RATES TO CUSTOMERS

CCAs are energy providers that serve customers with commodity, while Investor-Owned Utilities (“IOUs”) like SDG&E provides transmission and delivery services.¹⁸ Unlike IOUs, CCAs must wait until the billing cycle closes (usually within 28-30 days after power flow) to receive interval data of customer usage.¹⁹ SDCP has requested a technical solution from SDG&E

¹⁵ *Assigned Commissioner’s Scoping Memo and Ruling*, A. 21-12-006, at 5-6.

¹⁶ Ex. SDCP-02, *Prepared Rebuttal Testimony of Lucas Utouh on Behalf of San Diego Community Power*, at 2, L: 9-14 (Jan. 30, 2023).

¹⁷ *See Administrative Law Judge’s Email Ruling on Joint Motion to Modify Schedule* at 8, A. 21-12-006 (Apr. 18, 2023) (ruling that parties must address whether the RTP rate should be dismissed on procedural grounds, not substantive grounds).

¹⁸ Ex. SDCP-01 at 4, L: 3-5.

¹⁹ Ex. SDCP-01 at 2, L: 5-7.

that will allow SDCP to access interval data at T+2 (i.e. two days after power flow).²⁰ Timely access to interval data will better inform SDCP's CAISO Estimated Settlement Quality Meter Data ("ESQMD") process for its Day Ahead load forecasts.²¹ This is necessary for SDCP to minimize load forecast errors while supporting more thorough, efficient, and effective operations.²² SDCP is unable to conduct a RTP pilot independent of SDG&E until it receives access to interval meter data at two days after power flow.²³

B. SDCP AND CEA HAVE PARTICIPATED FULLY IN THIS PROCEEDING

SDCP and CEA have been fully active throughout SDG&E's RTP application. Prior to SDG&E's application being filed, SDCP participated in workshops regarding the forthcoming application and raised the issue of data access.

Two RTP workshops were held on September 28, 2021, and October 13, 2021,²⁴ in which SDCP and CEA raised data access issues, as well as in various subsequent meet-and-confer discussions held by the parties in this proceeding.²⁵ Shortly after SDG&E filed its RTP Pilot application, SDCP and CEA responded to the application on January 14, 2022, to raise the issue of data availability, stating:

"CCAs do not have access to the same level of customer data as SDG&E, and without that data, it is impossible to effectively prepare load forecasts, make procurement adjustments, respond to customer inquiries or provide billing support. That is why the Joint CCAs view timely customer data as indispensable to CCA program participation."²⁶

²⁰ Ex. SDCP-01 at 2, L: 9.

²¹ Ex. SDCP-01 at 2, L: 9-11.

²² Ex. SDCP-02 at 2, L: 11-12.

²³ Ex. SDCP-04, *SDCP Response to UCAN Data Request 1*, at 3.

²⁴ Ex. SDCP-01, *Prepared Direct Testimony of Lucas Utouh on Behalf of San Diego Community Power*, at 3, L: 3-4 (Dec. 30, 2022).

²⁵ See *Assigned Commissioner's Scoping Memo and Ruling*, A. 21-12-006 and A. 21-12-008, at 5 (April 18, 2022) (requiring that parties "meet and confer to clarify and narrow contested facts and issues and explore the possibility of settlement or stipulations in lieu of evidentiary hearings").

²⁶ *Joint Response of San Diego Community Power and Clean Energy Alliance to the Application of San Diego Gas & Electric Company*, A. 21-12-006, at 4-5 (Jan. 14, 2022).

Additionally, SDCP and CEA requested to collaborate with SDG&E on this issue by sending a formal letter to Caroline Winn, Chief Executive Officer of SDG&E.²⁷ Despite SDCP's attempts to resolve this data access issue with SDG&E, SDG&E has not yet meaningfully engaged with SDCP to determine a solution where the CCAs can receive timely access to customer interval data.²⁸

C. SDCP AND CEA REQUEST THAT THE COMMISSION DISMISS A. 21-12-006 WITHOUT PREJUDICE UNTIL THE ISSUE OF DATA ACCESS IS RESOLVED

SDG&E stated in its testimony that the data access issue “is already within the scope of the Demand Flexibility Order Instituting Rulemaking, R. 22-07-005, and should be addressed there.”²⁹ SDCP and CEA concur, with the caveat that the Commission should acknowledge in its final decision in this case that meet-and-confer requirements alone did not assist in developing a data access solution, and furthermore, that additional Commission guidance is necessary to determine a process for CCAs and IOUs to fashion effective data sharing practices.

However, failure to address data access issues associated with SDG&E's RTP Pilot is a missed opportunity to advance real time pricing as well as ensure fair competition in the market, improve the accuracy of load forecasting, and mitigate the costly effects of poor procurement decisions.

As the incumbent utility, SDG&E maintains the advantageous position of having instant access to customer interval data. CCAs, on the other hand, do not have instant access to the data, and must wait until the billing cycle is complete, typically 28-30 days, for SDG&E to grant

²⁷ Ex. SDCP-01, at 3, L: 5-7.

²⁸ Ex. SDCP-02, *Prepared Rebuttal Testimony of Lucas Utouh on Behalf of San Diego Community Power*, at 1, L: 19 – 2, L: 1 (Jan. 30, 2023).

²⁹ Ex. SDGE-08, *Prepared Rebuttal Testimony of Jeff DeTuri on Behalf of SDG&E*, at JDT-7, L: 1-3.

access.³⁰ The long delay harms SDCP and CEA's ability to forecast load accurately, a problem that would be made acute in a real time pricing structure where customer usage can be expected to change—potentially dramatically—in response to price, but the magnitude and timing of the change in usage remain invisible until long after the event.

Not only does this data delay impact load forecasts—the delay also impacts CCAs' ability to make procurement adjustment decisions, respond to customer inquiries, and provide billing support, as SDCP's Director of Data Analytics and Account Services, Lucas Utouh, testified.³¹ SDG&E can better predict future load and purchase the necessary energy to meet demand if it finds it has insufficient supply almost instantaneously. Moreover, having this information allows SDG&E to predict how customer usage behavior will change in both the short- and long-term periods. SDG&E's existing procedure of allowing individual customers to share data is insufficient to satisfy CCA needs.³²

Yet SDG&E's RTP application fails to address the data access issue, as does the testimony and supporting materials that were provided. Data access is the primary issue that CCAs have with SDG&E's application. SDCP and CEA have fulfilled their duties by actively engaging in this proceeding. SDCP and CEA have filed timely responses to SDG&E's RTP Pilot application, filed opening and rebuttal testimony, and participated in various meet-and-confer sessions and settlement discussions throughout the duration of the proceeding.³³

³⁰ Ex. SDCP-01, at 2, L: 4-7.

³¹ See SDCP's & CEA's Joint Response to A.21-12-006, at 4-5.

³² Ex. SDCP-01, at 4, L: 6-7.

³³ Ex. SDCP-01, at 2, L: 17-19.

SDG&E was ordered to conduct meaningful outreach to key stakeholder groups like SDCP and CEA.³⁴ After preliminary discussions, however, engagement from SDG&E on data access in this proceeding ceased to exist. SDG&E made no amendments to its application, submitted no additional testimony, and took no other formal steps toward this goal. No progress was made, despite the Commission's guidance and pre-approval of stakeholder outreach costs.

The Commission's guidance seems to assume that CCAs and SDG&E share the same goals, and with proper communication, they can agree on a solution, but that is not the case here. With respect to data access and real time pricing, the goals of CCAs and goals of SDG&E are apparently not in harmony, and communication alone, whether formal or informal, has not served to bridge the gap. Additional guidance from the Commission will be necessary to determine a workable process for CCAs and IOUs to develop effective data sharing practices. Because SDG&E has not provided a solution to provide SDCP and CEA with interval data, and because this issue can be addressed in another proceeding, SDCP and CEA requests that the Commission dismiss SDG&E's current import rate application without prejudice.

III. SDCP AND CEA DO NOT HAVE ANY COMMENT ON THE EXPORT RATE

In response to Administrative Law Judge Wang's export rate questions, SDCP and CEA do not have any comment.

IV. CONCLUSION

Based on the arguments and facts raised in this opening brief, SDCP and CEA respectfully request that the Commission take the following actions:

³⁴ See *Decision Adopting Settlement Agreement to Update Marginal Costs, Cost Allocation and Electric Rate Design for SDG&E; Ordering a Separate Application for a Real-Time Pricing Dynamic Rate Pilot; Rejecting Schools-Only Class Proposal; and Modifying Decision 12-12-004*, at 89-90 (directing SDG&E to meet with key stakeholders like SDCP and CEA).

1. Dismiss A. 21-12-006 without prejudice until the issue of CCA interval data access is addressed, either in the Demand Flexibility proceeding or otherwise.
2. Include language in its final decision acknowledging that meet-and-confer requirements alone did not result in any progress toward or final resolution of the data access issue.
3. Include additional language in its final decision stating that additional guidance from the Commission will be necessary to decide upon a process for CCAs and IOUs to develop effective customer usage data sharing practices.

Respectfully submitted,

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